

# 2012 Wells County Property Tax Report with Comparison to 2011

Legislative Services Agency

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**This report describes property tax changes in Wells County between 2011 and 2012.** In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Wells County the average tax bill for all taxpayers increased by 1.1%. This tax bill rise was mainly the result of a slight 0.2% increase in the tax levy of all local government units and an increase in certified net assessed value of 3.6%. Agricultural and business net assessments increased the most. The net assessed value increase exceeded the slight levy rise, so the average tax rate decreased. Wells County local property tax credits were high, so few taxpayers qualified for tax cap credits. Credits as a percent of the levy were almost unchanged.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	1.1%	\$18,689,043	\$1,235,439,706	0.3%
Change		0.2%	3.6%	0.1%
2011	12.5%	\$18,659,688	\$1,192,346,932	0.3%

## Homestead Property Taxes

Homestead property taxes decreased 4.5% on average in Wells County in 2012. Tax rates fell in more than two-thirds of Wells County tax districts, and the county average tax rate decreased by 3.3%. The drop in tax rates explains the lower homestead tax bills. Low tax rates and high local credits in Wells County meant that no homesteads qualified for tax cap credits.

### Comparable Homestead Property Tax Changes in Wells County

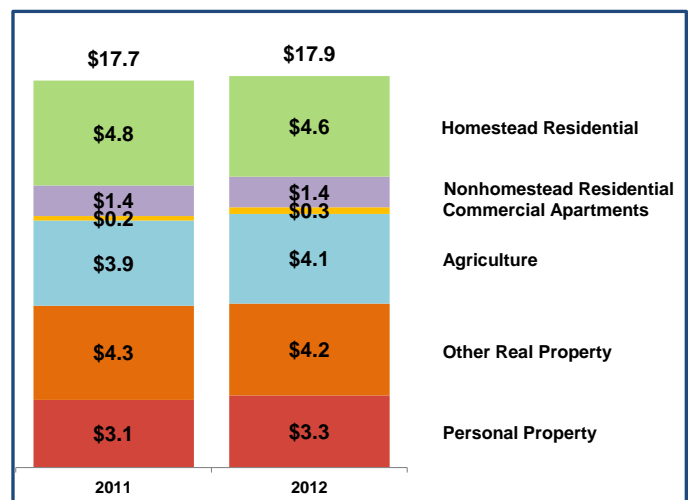
	2011 to 2012	
	Number of Homesteads	% Share of Total
<b>Summary Change in Tax Bill</b>		
Higher Tax Bill	2,013	24.5%
No Change	98	1.2%
Lower Tax Bill	6,089	74.3%
<b>Average Change in Tax Bill</b>	<b>-4.5%</b>	
<b>Detailed Change in Tax Bill</b>		
20% or More	385	4.7%
10% to 19%	356	4.3%
1% to 9%	1,272	15.5%
0%	98	1.2%
-1% to -9%	3,513	42.8%
-10% to -19%	1,725	21.0%
-20% or More	851	10.4%
<b>Total</b>	<b>8,200</b>	<b>100.0%</b>

Note: Percentages may not total due to rounding.

## Net Tax Bill Changes - All Property Types

Most of Wells County's 2012 net property taxes were paid by business owners on their land and buildings (other real) and business equipment (personal), by homeowners, and by owners of agricultural property. Net tax bills for all taxpayers increased 1.1% in Wells County in 2012. Tax bills were much higher for commercial apartments and higher for business personal property, agricultural property, and nonhomestead residential property (mostly small rentals and second homes). Net taxes were lower on homesteads and business real property.

### Comparison of Net Property Tax by Property Type (In Millions)



## Tax Rates, Levies, and Assessed Values

Property tax rates decreased in more than two-thirds of Wells County tax districts. The average tax rate fell by 3.3%, because a small levy increase was offset by a larger increase in net assessed value.

Levies in Wells County increased slightly by 0.2%. The largest levy increase was in Bluffton-Harrison School Corporation, which had increases in its debt service and transportation funds. The Southern Wells School Corporation had large decreases in the capital projects fund, referendum fund (exempt operating), and debt service fund, while Northern Wells Schools saw decreases in its capital projects and bus replacement funds.

Wells County's total net assessed value increased 4.5% in 2012. Agricultural net assessments rose 12.2%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Combined nonagricultural net assessments rose 1.9%. Business assessments increased 3.1%.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$1,016,311,595	\$1,011,637,329	-0.5%	\$421,482,470	\$425,328,924	0.9%
Other Residential	92,719,000	93,608,930	1.0%	91,987,936	93,141,498	1.3%
Ag Business/Land	311,574,994	350,569,318	12.5%	310,795,614	348,669,677	12.2%
Business Real/Personal	615,823,911	596,209,051	-3.2%	408,979,500	421,700,054	3.1%
<b>Total</b>	<b>\$2,036,429,500</b>	<b>\$2,052,024,628</b>	<b>0.8%</b>	<b>\$1,233,245,520</b>	<b>\$1,288,840,153</b>	<b>4.5%</b>

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

## Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Wells County were \$66,198, or 0.3% of the levy. This was much less than the state average percentage of the levy of 9.2% and less than the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, and Wells County's tax rates were lower than the state average and the state median. Homestead and other residential tax bills were further reduced by local property tax credits.

More than half of the total tax cap credits were in the elderly category, which limits increases in tax bills of homesteads owned by people 65 and over to 2% per year. The rest was in the 2% nonhomestead/farmland category. The largest percentage losses were in the Huntington Library District and the town of Markle, which are partly in Huntington County. District tax rates for these units were above \$2 per \$100 assessed value. The largest dollar losses were in the Northern Wells and Bluffton-Harrison School Corporations and the town of Markle.

## Tax Cap Credits by Category

Tax cap credits increased in Wells County in 2012 by \$9,807, or 17.4%. The percentage of the levy lost to credits was almost unchanged and remained very low. There were no major changes in state policy to affect tax cap credits in 2012. Wells County credits increased despite the drop in most tax rates, because of small tax rate increases in districts with large amounts of rental housing.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$116	\$0	-\$116	-100.0%
2%	14,708	30,836	16,128	109.6%
3%	0	0	0	0.0%
<b>Elderly</b>	41,567	35,362	-6,205	-14.9%
<b>Total</b>	<b>\$56,391</b>	<b>\$66,198</b>	<b>\$9,807</b>	<b>17.4%</b>
<b>% of Levy</b>	0.3%	0.3%		0.1%

### Wells County Levy Comparison by Taxing Unit

Taxing Unit						% Change			
						2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
County Total	29,168,567	17,795,686	18,225,963	18,659,688	18,689,043	-39.0%	2.4%	2.4%	0.2%
State Unit	32,733	0	0	0	0	-100.0%			
Wells County	4,260,700	3,621,671	3,484,462	3,540,078	3,627,251	-15.0%	-3.8%	1.6%	2.5%
Chester Township	26,412	26,303	26,475	26,363	27,043	-0.4%	0.7%	-0.4%	2.6%
Harrison Township	117,437	107,580	105,681	104,993	106,170	-8.4%	-1.8%	-0.7%	1.1%
Jackson Township	14,324	14,401	13,988	13,934	14,102	0.5%	-2.9%	-0.4%	1.2%
Jefferson Township	68,875	64,571	63,818	63,101	62,833	-6.2%	-1.2%	-1.1%	-0.4%
Lancaster Township	61,762	61,302	59,661	59,533	60,058	-0.7%	-2.7%	-0.2%	0.9%
Liberty Township	35,941	35,322	34,600	34,499	35,133	-1.7%	-2.0%	-0.3%	1.8%
Nottingham Township	19,234	56,466	41,531	40,995	42,641	193.6%	-26.4%	-1.3%	4.0%
Rockcreek Township	34,083	32,499	44,051	43,281	42,818	-4.6%	35.5%	-1.7%	-1.1%
Union Township	28,829	26,963	26,584	38,504	37,584	-6.5%	-1.4%	44.8%	-2.4%
Bluffton Civil City	2,487,526	2,348,216	2,294,924	2,282,653	2,316,926	-5.6%	-2.3%	-0.5%	1.5%
Zanesville Civil Town	27,492	25,212	24,294	22,434	20,368	-8.3%	-3.6%	-7.7%	-9.2%
Markle Civil Town	168,975	167,484	172,619	168,731	183,422	-0.9%	3.1%	-2.3%	8.7%
Ossian Civil Town	467,919	410,963	456,068	429,273	389,427	-12.2%	11.0%	-5.9%	-9.3%
Poneto Civil Town	26,766	26,200	3,196	26,348	26,309	-2.1%	-87.8%	724.4%	-0.1%
Uniondale Civil Town	19,711	18,704	18,566	17,428	17,544	-5.1%	-0.7%	-6.1%	0.7%
Vera Cruz Civil Town	2,634	2,166	2,249	2,345	2,128	-17.8%	3.8%	4.3%	-9.3%
Southern Wells Community School Corp	3,230,778	1,539,979	1,760,660	1,751,966	1,560,375	-52.3%	14.3%	-0.5%	-10.9%
Northern Wells Community School Corp	10,498,505	4,440,835	4,710,721	5,194,557	5,024,001	-57.7%	6.1%	10.3%	-3.3%
M.S.D. Bluffton-Harrison School Corp	6,223,301	3,466,506	3,616,697	3,534,380	3,795,519	-44.3%	4.3%	-2.3%	7.4%
Wells County Public Library	1,176,626	1,159,585	1,117,751	1,114,488	1,143,693	-1.4%	-3.6%	-0.3%	2.6%
Huntington Library	34,351	38,775	44,025	43,685	47,450	12.9%	13.5%	-0.8%	8.6%
Wells County Solid Waste District	103,653	103,983	103,342	106,119	106,248	0.3%	-0.6%	2.7%	0.1%

### Wells County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates					Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential
90001	Chester Township	1.0105	--	--	16.6143%	--	--	12.1686%
90002	Poneto Town-Chester Township	1.8386	--	--	16.6143%	--	--	12.1686%
90003	Harrison Township	1.6095	--	--	16.6143%	--	--	12.1686%
90004	Bluffton City-Harrison Township	2.2268	--	--	16.6143%	--	--	12.1686%
90005	Poneto Town-Harrison Township	2.4299	--	--	16.6143%	--	--	12.1686%
90006	Verra Cruz Town	1.7341	--	--	16.6143%	--	--	12.1686%
90007	Jackson Township	1.0008	--	--	16.6143%	--	--	12.1686%
90008	Jefferson Township	1.2388	--	--	16.6143%	--	--	12.1686%
90009	Ossian Town	1.5664	--	--	16.6143%	--	--	12.1686%
90010	Lancaster Township	1.2150	--	--	16.6143%	--	--	12.1686%
90011	Bluffton City-Lancaster Twp-N Wells School	1.8550	--	--	16.6143%	--	--	12.1686%
90012	Bluffton City-Lancaster Twp-Bluffton School	2.2225	--	--	16.6143%	--	--	12.1686%
90013	Liberty Township	1.0285	--	--	16.6143%	--	--	12.1686%
90014	Poneto Town-Liberty Twp	1.8499	--	--	16.6143%	--	--	12.1686%
90015	Nottingham Township	1.0360	--	--	16.6143%	--	--	12.1686%
90016	Rockcreek Township	1.2418	--	--	16.6143%	--	--	12.1686%
90017	Markle Town-Rockcreek Township	2.5367	--	--	16.6143%	--	--	12.1686%
90018	Uniondale Town-Rockcreek Twp	1.6130	--	--	16.6143%	--	--	12.1686%
90019	Union Township	1.2314	--	--	16.6143%	--	--	12.1686%
90020	Markle Town-Union Township	2.5319	--	--	16.6143%	--	--	12.1686%
90021	Uniondale Town-Union Township	1.6082	--	--	16.6143%	--	--	12.1686%
90022	Zanesville Town-Union Township	1.4645	--	--	16.6143%	--	--	12.1686%

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

### Wells County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	0	30,423	0	35,362	65,785	18,689,043	0.4%
<i>TIF Total</i>	0	413	0	0	413	234,494	0.2%
<i>County Total</i>	0	30,836	0	35,362	66,198	18,923,537	0.3%
Wells County	0	3,619	0	5,529	9,148	3,627,251	0.3%
Chester Township	0	0	0	9	9	27,043	0.0%
Harrison Township	0	59	0	261	320	106,170	0.3%
Jackson Township	0	0	0	2	2	14,102	0.0%
Jefferson Township	0	0	0	58	58	62,833	0.1%
Lancaster Township	0	0	0	74	74	60,058	0.1%
Liberty Township	0	0	0	40	40	35,133	0.1%
Nottingham Township	0	0	0	5	5	42,641	0.0%
Rockcreek Township	0	158	0	57	214	42,818	0.5%
Union Township	0	4	0	11	15	37,584	0.0%
Bluffton Civil City	0	1,762	0	7,147	8,909	2,316,926	0.4%
Zanesville Civil Town	0	0	0	44	44	20,368	0.2%
Markle Civil Town	0	10,860	0	1,206	12,066	183,422	6.6%
Ossian Civil Town	0	0	0	430	430	389,427	0.1%
Poneto Civil Town	0	59	0	25	84	26,309	0.3%
Uniondale Civil Town	0	0	0	32	32	17,544	0.2%
Vera Cruz Civil Town	0	0	0	0	0	2,128	0.0%
Southern Wells Community School Corp	0	0	0	679	679	1,560,375	0.0%
Northern Wells Community School Corp	0	7,535	0	5,989	13,524	5,024,001	0.3%
M.S.D. Bluffton-Harrison School Corp	0	3,193	0	11,623	14,816	3,795,519	0.4%
Wells County Public Library	0	259	0	1,667	1,926	1,143,693	0.2%
Markle Public Library	0	0	0	0	0	0	
Huntington Library	0	2,809	0	312	3,122	47,450	6.6%
Mideast Indiana Solid Waste Mgmt Dist	0	0	0	0	0	0	
Wells County Solid Waste District	0	106	0	162	268	106,248	0.3%
TIF - Adams Street #1	0	392	0	0	392	213,110	0.2%
TIF - Adams Street #2 BH	0	21	0	0	21	211	9.9%
TIF - Adams Street #2 BI-L/NW	0	0	0	0	0	21,172	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

#### Circuit Breaker Credit Types:

*Homesteads* are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

*Other Residential/Farmland* includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

*All Other Real/Personal* is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

*Elderly* includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over. The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.